
2 EXECUTIVE SUMMARY

The Town of Blacksburg Economic Development Strategy contains an analysis of various economic, land use, and market factors that are impacting the community. The following chapter summarizes the results of the economic development strategy relative to the town's economic base trends, business climate factors, real estate market trends, retail market trends, as well as, the community's economic development vision, goals, and action strategy.

The action plan reflects the town's economic development priorities over the next two decades, based on input provided by various community residents, business and civic leaders, and organizations. The Blacksburg Economic Development Strategy was directed by the Business Relations Advisory Committee (BRAC), which reviewed the consultant's work throughout the process. The vision and action plan was guided by a group of selected community and business leaders that comprised a visioning committee. Other public input was gathered from the general public and from selected groups of retail/service and manufacturing business leaders.

A. BUSINESS CLIMATE FACTORS

Business climate factors can contribute positively or negatively to the environment in which businesses operate. A good business climate is one that offers a safe and stable place for business. Strong and supportive government, quality education and labor resources, public safety, favorable taxation policies, and loyal consumers are just some of the important factors that contribute to a positive business climate.

Businesses are negatively impacted by increased risk, uncertainty, and instability in the market place, as well as in the communities in which they operate. To the extent that local communities support the creation and expansion of local businesses, they are able to create a business climate that is more inviting to private enterprise.

Crime

- The town of Blacksburg had 1,621 Group "A" offenses in 1999, translating into a crime rate of 4,083 offenses per 100,000 residents for the Town. This crime rate is slightly higher than the state average (3,684 per 100,000 persons) for Group "A" crimes. However, Blacksburg has a significantly lower crime rate than the surrounding competitive localities, averaging approximately 50% fewer Group "A" crimes. The largest disparity lies between Blacksburg and Christiansburg, with Christiansburg averaging almost three times the number of Group "A" offenses per 100,000 people.

Housing

- Single-family residential structures accounted for almost 29% of all Blacksburg housing units according to the 1990 census. In contrast, single-family structures account for at least 50% of the total unit count in the other competitive communities of Radford, Christiansburg, and Roanoke. This unique housing stock offers many options for renters, mostly students, but fewer options for those wishing to buy a home in Blacksburg.
- According to the local Homebuilders Association, the Town of Blacksburg has historically maintained higher housing prices, as compared to other local competitive communities. In recent years, the average single-family detached house in Blacksburg has sold for approximately \$186,000. In comparison, a single-family house in Christiansburg typically sells for near \$126,000, while the County average is closer to \$156,000. Blacksburg maintains a higher average selling price compared to the region as well, with both Radford (\$104,000) and the Roanoke Valley (\$138,000) reporting lower average sales prices.

Higher Education

- Virginia Tech offers 71 undergraduate and 147 graduate programs in eight colleges (agriculture, architecture, arts/sciences, business, human resources/education, engineering, natural resources, and veterinary medicine). With annual research expenditures of about \$170 million, Virginia Tech consistently ranks among the top 50 research universities in the United States. In addition, the VPI Corporate Research Center offers programs and physical facilities to support joint development of industrial research with business and industry. The university has set a goal to become a Top-30 research institution over the next decade.
- The curriculum at Radford offers Undergraduate students over 110 program options in the Colleges of Arts and Sciences, Business and Economics, Education and Human Development, Health and Human Services, and Visual and Performing Arts. In addition, the College of Graduate and Extended Education offers 45 programs of study at the masters and specialist level.
- New River Community College (NRCC), located just outside the Town of Dublin offers a comprehensive selection of occupational and technical education, university parallel/college transfer education, general education, continuing adult education, special training and development programs, as well as specialized regional/commercial services. The College enrolls an average of 2,700 students per quarter.
- These institutions of higher learning provide benefits to the regional community far beyond their direct impacts of educational excellence. These institutions offer partnering opportunities for business and industry to further research and development in technical and physical processes as well as production techniques. They are economic engines for the region and offer a variety of cultural and entertainment activities for the entire community.

Wages

- Montgomery County had an average weekly wage of \$519 for all industries in 1999. In comparison, the New River Valley Study Region had an average weekly wage of \$560, approximately 7.9% higher than Montgomery County.
- The data reveal that the New River Valley Region offers more competitive wage rates in more blue-collar and production-oriented sectors, such as agriculture, construction and manufacturing, while Montgomery County offers higher wages in typically white-collar sectors, such as retail trade, service and finance, insurance and real estate.

Utilities

- The Town of Blacksburg offers competitive rates for utility consumption to residential and commercial users. However, these utility rates do not have much room for increases if they are to remain competitive, especially in water and sewer usage.

Taxes

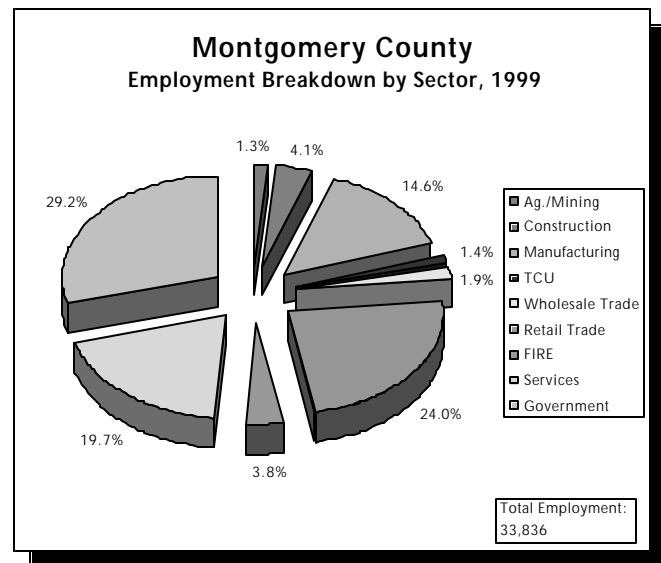
- Blacksburg has maintained fairly competitive tax rates to the surrounding communities. Over the past decade, the Town's local real estate tax rate has remained at \$.20 per hundred dollars of assessed valuation. In almost every case, the Town tax levy is very close to the rates of other competing communities. The City of Roanoke consistently ranks the highest in local tax rates, giving Blacksburg and the other communities a cost advantage in local tax burden. In contrast, Christiansburg and Radford have more competitive rates, often below the tax levels for Blacksburg.

B. ECONOMIC BASE ANALYSIS

The economic base analysis examines historical trends in the regional economy, including recent changes in employment and business establishments, civilian labor force and unemployment rates, wages, labor force skill levels, and other related data. For the purposes of this analysis, the Region has been defined as Floyd, Giles and Pulaski Counties as well as Radford City. It is important to note that Montgomery County has been omitted from the Regional data, except where noted. This has been done to create a direct comparison between the local and regional economic markets competing, on a certain level, for residential and commercial growth. The data were primarily collected from the Virginia Employment Commission and the US Department of Commerce.

Employment

- Montgomery County has experienced an increase of 10.3% in employment since 1989. Of that total, the retail trade sector (8,123 jobs) comprised the largest share of employment in 1999, followed by the service sector (6,689 jobs) and state government employees (6,661 jobs).
- In contrast, the New River Valley Region had a total employment base of 33,762 jobs, and experienced a 17.3% increase over the 1989 figure. The manufacturing sector (12,604 jobs) comprises the largest portion of the region's employment base, followed by retail trade (5,273 jobs) and services (5,028 jobs).

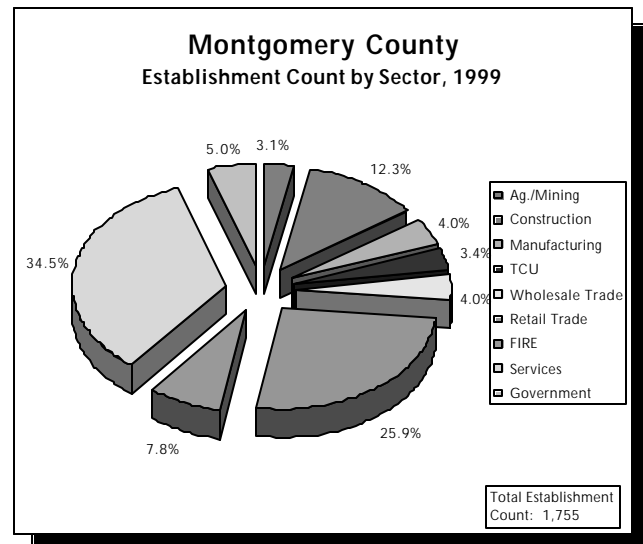


Source: VA Employment Commission, 1999

- Montgomery County has the highest concentration of public sector employment, as a percentage of total employment, in the New River Valley. This can primarily be attributed to the influence of Virginia Tech, which accounts for over 6,000 state government positions.
- The County had a net increase of 3,217 jobs between 1989 and 1999, but experienced significant shifts in employment concentrations. Trend data indicate that the County's employment base is shifting from a manufacturing and government focus to a more service, retail trade and government orientation.
- During this time frame, the manufacturing sector experienced a loss of almost 3,000 jobs, constituting a 38% decline. This net decline can be directly attributed to a government downsizing of the Radford Army Ammunitions Plant in the early 1990s, which lost over 2,500 jobs from that location.
- In terms of absolute change, the service sector experienced significant growth in several industries, especially business, health and engineering, accounting & research services. In contrast, the manufacturing sector experienced the most significant loss.
- When compared to employment trends over the 10-year study period, it is apparent that Montgomery County has been losing higher paying manufacturing jobs and replacing them with lower paying service and retail jobs. Based on 1999 data, Montgomery County's service and retail industries pay weekly wages that are roughly 25% and 62% lower than the average weekly wage for manufacturing employees (\$685/week).

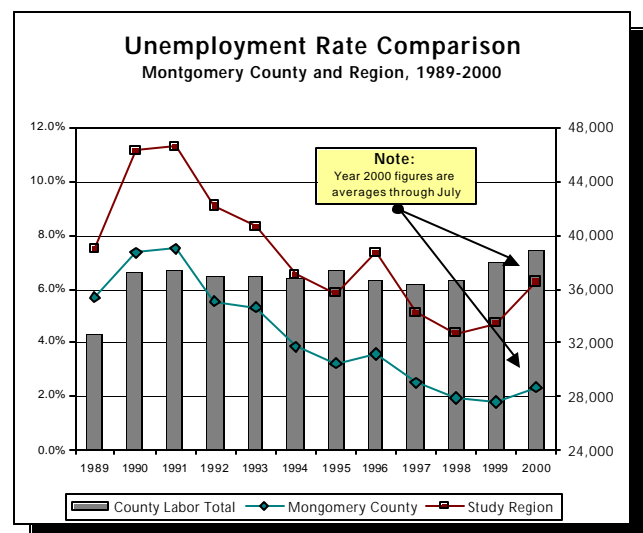
Establishments

- In 1999, the County's economic base consisted of 1,755 business establishments, a 60.3% increase from the 1989 total of 1,095. This growth rate is six times higher than the employment growth rate for the same period.
- Similar to employment growth, the service (235 businesses) and retail trade (143 businesses) sectors experienced the largest gains in establishment counts between 1989 and 1999.



Source: VA Employment Commission, 1999

- According to the Virginia Employment Commission, Montgomery County currently has 38,920 participants in the labor force, with an unemployment rate of 2.3%. In contrast, the New River Valley Region (less Montgomery County) has a labor force of 41,160 with an unemployment rate of 6.3%. This indicates that Montgomery County accounting for almost 50% of the total regional labor supply while only accounting for 26% of the unemployed workers.



Source: Virginia Employment Commission, 2000

- It is projected that high-skilled and semi-skilled white-collar workers will drive the Southwest Virginia's economic future. According to the Virginia Employment Commission, the number of white-collar jobs will increase by 17,153, or 12.5%, over the next ten years. In contrast, blue-collar jobs are projected to decline in number (4,723 jobs) by almost 5% over the same time frame.

Wages

- According to the Virginia Employment Commission, the Study Region's average weekly wage rate increased over 51% since 1989 (not adjusted for inflation), or more than 50% faster than the growth in Montgomery County. In fact, Montgomery County had a higher average weekly wage rate in 1989 than the Study Region. Currently, the Region has an 8% higher average rate (\$560) than the County (\$519).

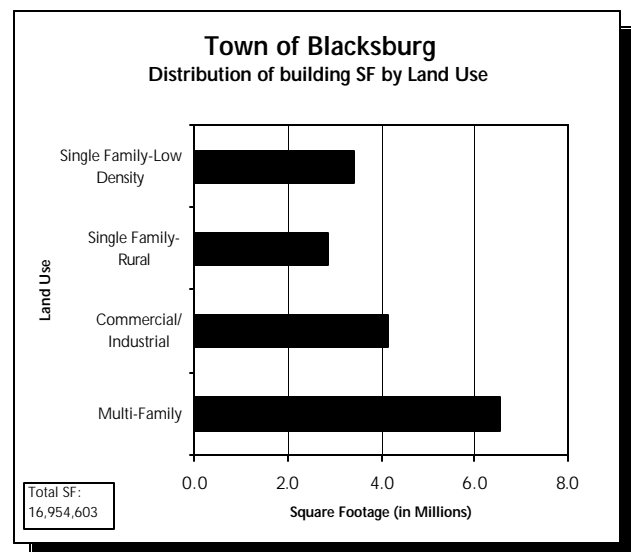
C. REAL ESTATE MARKET ANALYSIS

The real estate market analysis reflects the most current market conditions and analyzes development, leasing, sales, and absorption trends that have occurred over the past 10 years. In addition, RKG Associates conducted a number of interviews with local development and real estate professionals in order to understand the nuances of the Blacksburg market and to identify any structural or regulatory barriers that may be inhibiting local development activity.

The general purpose of this analysis is to identify future opportunities for growth and development within the region, with a specific emphasis on the Town of Blacksburg. It is the consultant's opinion that future growth in Blacksburg will largely follow established development patterns and will be guided by existing development regulations.

Real Property Tax Base

- The Town of Blacksburg has a total assessed value of \$1.18 billion.¹ This total represents approximately 34.6% of the County's total taxable assessed valuation of roughly \$3.4 billion. In Blacksburg, residential land uses account for \$897.5 million, or 76.4%, of the non-exempt tax base. Employment-generating properties have a combined assessed value of roughly \$221.2 million, or 18.8% of the total tax base.
- Blacksburg has a diverse mix of land uses consisting of 7,735 taxable properties covering 9,730 acres and 17.0 million SF of building space. Residential uses account for the vast majority of the Town's building stock, equaling 75.5% of the total building space and 70.1% of total assessed value, while only occupying 30.7% of the Town's total land area. Employment-generating uses have a much smaller presence in Blacksburg, accounting for only 2.9% of the total taxable parcels and 5.6% of the total acreage.
- The Town's residential tax base is comprised primarily of multi-family units, which constitute 71.4% of the total units, while only encompassing 22.0% of the land area dedicated to residential uses. In addition, multi-family housing accounts for 53.5% of the total residential building space. Based on estimates prepared by the Town of Blacksburg Department of Planning and Engineering and RKG Associates, there are approximately 8,988 multi-family units in Blacksburg. Single-family housing account for only 3,603 units of Blacksburg's total housing inventory.

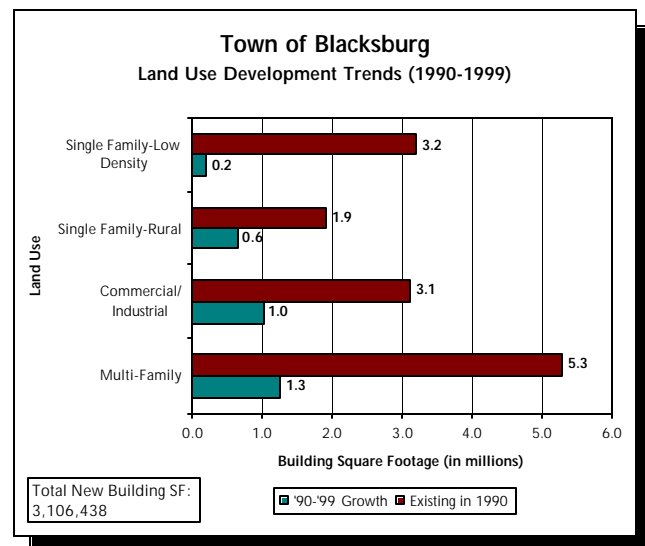


¹ The Town's total assessed value does not include tax exempt property such as government property, including Virginia Tech.

- Commercial uses account for 48.7% of employment generating building space in Blacksburg, 51.7% of employment-generating parcels, and 37.8% of the total acreage. Industrial and R&D uses account for over 1.4 million SF, or 23.8% of the Town total building square feet, despite the small number of developed properties (24 parcels). This is partially due to the presence of the Virginia Tech Corporate Research Center, which accounts for 380,600 SF of building space.
- On average, land values are significantly higher in Blacksburg than in the County. In fact, the overall average assessed land value in Blacksburg (\$29,635 per acre) is over 6 times higher than the County average of \$4,727 per acre. This is primarily due to the reduced influence of low-value agricultural and vacant land uses on the Blacksburg tax base.

Development Trends and Absorption Rates

- Montgomery County has been experiencing significant growth in residential development. Since 1990, over 3,000 new single-family homes and 150 multi-family units have been constructed, which have added 5.5 million square feet of residential building space on 6,565 acres. This development has added approximately \$430.9 million in assessed value to the County's tax base. It is estimated that an average of 300 to 320 new housing units has been added each year over the past decade.
- Blacksburg has experienced steady growth in both residential and non-residential development since 1990. Approximately 1,500 new structures were constructed over the past decade, resulting in an estimated average of 145 new dwelling units and 5 new employment-generating buildings per year. In total, 3.1 million square feet of building space was added with a total assessed value of \$199.5 million.
- According to the local Homebuilders Association, the average single-family detached house in Blacksburg is selling for about \$186,000. In comparison, a similar house in Christiansburg is typically sell around \$126,000, while the County average is closer to \$156,000.
- The Town experienced an average annual residential absorption of 208,886 SF per year during the 1990s, with an average of 145 new housing units being built each year. This indicates that Blacksburg captured approximately 30% of the total residential building growth and 32% of the total new housing units in the County since 1990. In contrast to the County, multi-family housing accounts for the majority of residential development in Town,



Source: Montgomery County Tax Assessor and RKG Associates, Inc.

accounting for over 60% of the new residential square footage and 73% of the new housing units.

- The average gross absorption rate for employment-generating uses was 142,897 SF per year in Montgomery County (not including Blacksburg figures) during the 1990s. In contrast, only six parcels were developed each year, indicating that the average building size per parcel was roughly 22,327 SF. In comparison, Blacksburg experienced an average absorption rate of 101,758 SF, while adding approximately 5 newly developed parcels per year. This data indicates a slightly smaller average building size per parcel of 21,200 SF. A significant portion of the Town-wide development in employment generating uses is directly attributable to the growth of the Virginia Tech Corporate Research Center. Removing that growth figure would diminish the Blacksburg figures by approximately 25%.

Route 460 Corridor Development

- Over the past 10 years, the most significant development activity in the region has taken place along the Route 460 corridor, from Blacksburg's southern border to the Route 460/Peppers Ferry Road intersection. Over the past 10 to 15 years, this commercial corridor has been transformed into a regional shopping destination for the New River Valley region. Literally dozens of national retailers, restaurants, banks, offices, and service establishments have located to this area, resulting in a retail gravity shift away from the County's population center, the Town of Blacksburg.
- Most of the development within this corridor has been primarily retail and service with a modest amount of professional office space. More specifically, the area has seen the development of the New River Valley Mall, as well as, several "Big Box" retailers including Wal-Mart Supercenter, Lowe's Home Improvement Warehouse, K-Mart and Goody's. In addition, Home Depot and Target have currently finished constructing new facilities in this location that add another 200,000 SF to 300,000 SF to the region's retail base.
- RKG Associates analysis of County property assessment records indicates that approximately 1.4 million SF of new building space was constructed in this area between 1990 and 1999. With the addition of Home Depot and Target, this total will increase to between 1.6 and 1.7 million SF of new space in just 10 years for an average of between 160,000 and 170,000 SF per year.

Land Supply to Support Future Development

- A screening of potential commercial and industrial development sites in Blacksburg indicates that there is approximately 78 potentially developable sites, containing approximately 350 acres. A more rigorous screening shows that there are only 24 prime properties that could support new development. It is estimated that there is a total of 194.2 acres of prime developable land in Blacksburg, with

Inventory of Developable Propertities For Non-Residential Use

	Count	Acreage
Commerical Sites		
Prime	14	82.27
Vacant	11	30.90
Underutilized	25	61.88
Total	50	175.05
Industrial Sites		
Prime	10	111.97
Vacant	12	37.93
Underutilized	6	28.57
Total	28	178.47

Source: RKG Associates, Inc.

industrial properties accounting for 57.6% of this total.

- Based on historical absorption trends, The Town of Blacksburg may have less than a 15 to 20 year supply of privately owned land capable of supporting new commercial and industrial/R&D development. This does not include land available at Virginia Tech's Corporate Research Center. The Town should consider opportunities to rezone areas to support future economic development activity.

Development Community Perceptions

- Blacksburg has gained the reputation as a "tough place to do business". This reputation, whether real or perceived, has created a disincentive for some development players who have chosen to do business outside the community. Despite these facts, most real estate professionals believe that Blacksburg has strong potential to recapture a significant portion of the County's growth. Improved relations and added acreage would increase the likelihood of developers looking at Blacksburg as a possible project location.

Conclusions

- Population trends indicate that the County, particularly Blacksburg, has been growing faster than the rest of the New River Valley for the past 20 years. According to the Virginia Employment Commission, this trend should continue over the next decade, resulting in steady demand for new housing development, employment, labor, and commercial/industrial development. Employment trends indicate that this expansion will most likely be in the service, retail trade and government sectors. As a result, there will be increased demand for land and building space and workers with solid education and skills, particularly in white-collar occupations.
- The Town is not positioned well to capture its fair share of future economic growth. The lack of available building space and appropriately zoned land will eventually inhibit the town's ability to sustain its economic development efforts.
- Negative perceptions among members of the development community have the potential to impede Blacksburg's economic development progress unless they are addressed directly.

D. RETAIL MARKET ANALYSIS

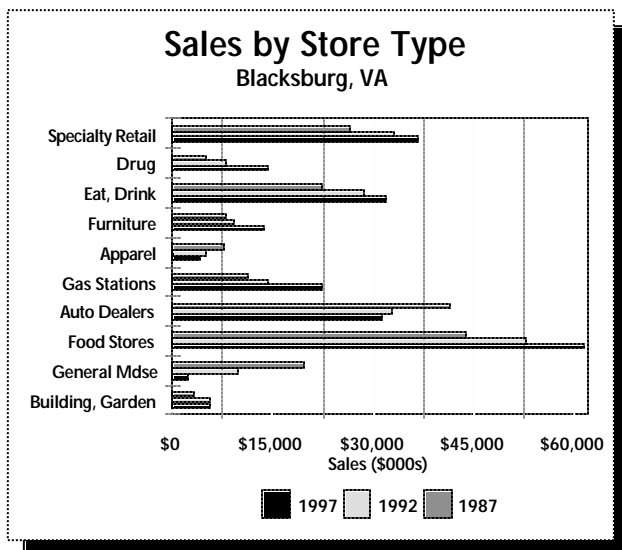
The retail market analysis details total sales, store count, and productivity from the US Census of Retail Trade for a consumer trade area developed for the Town of Blacksburg and selected surrounding communities. Consumer demand, or spending potential, was assessed for Blacksburg using commercial (retail) inventories developed at the Town level. The retail market analysis also identifies Blacksburg's future potential in attracting additional retail shopping venues to different sections of Town.

Competitive Retail Market

- Over 10.3 million square feet of retail has been identified and inventoried in surrounding locations to Blacksburg, Virginia, with more than 2.1 million square feet (some under construction) of competing retail in Christiansburg. Most of this is in shopping centers and retail strip centers. In addition, negotiations are currently being pursued with the other "big box" tenants, such as consumer electronics and wholesale clubs, to locate outside Blacksburg.
- Current retail vacancy in the communities surrounding Blacksburg is less than 5%. In fact, Blacksburg's closest competitors (Radford and Christiansburg) have less than 3% vacancy in retail space.

Retail Sales Trends

- Retail sales throughout all four-study regions (Blacksburg, Christiansburg, Montgomery County and Virginia) increased during the ten-year span from 1987 through 1997. However, the sales growth was not uniformly distributed across the regions or by store types within each region. Total sales in Blacksburg grew significantly slower (18.0%) as compared total sales growth in Christiansburg (123.0%), Montgomery County (86.0%) and the Commonwealth as a whole (76.0%).
- The 1987 retail activity in Blacksburg accounted for about 42.4% of the sales in the County, which was similar to Christiansburg (47.3% of the County's retail sales). However, by 1997 Christiansburg represented 56.8% of the retail sales activity in the County while Blacksburg had slipped to a 26.9% market share of the County.
- Retail sales increased in the Town of Blacksburg, by about 18.0%, from 1987 to 1997. However, several store types in Blacksburg experienced a decline in sales. General merchandise stores, auto dealers and apparel stores all lost sales between 1987 and 1997 in Blacksburg. Only drug store sales in Blacksburg had a growth rate exceeding 100.0% as sales rose from \$5.1 million in 1987 to \$14.1 million in 1997. General merchandise stores experienced a precipitous drop in sales (and store count) from around \$19.5 million to approximately \$2.5 million.
- Blacksburg experienced a decline in total store count (-4.0%) between 1987 and 1997. General merchandise, food stores,



Source: Census of Retail Trade, 1987-1997

apparel shops, and specialty retailers led the decline. This contrasts the trends for Virginia (14.4%), Montgomery County (23.9%) and Christiansburg (69.1%), which all experienced net growth in store count.

- Despite these losses in store count and sales in Blacksburg, many store types continue to have a very high level of average sales. Specialty retailers are such an example whereby the average specialty retailer in Blacksburg is estimated to have 1997 sales of \$920,000, well above either Christiansburg or Montgomery County. This is in part due to the high concentration of specialty retailers in Blacksburg, at 50.0% of the County, as well as the spending and consumer potential that the Virginia Tech student population represents. As such, this also suggests that additional smaller, specialty retailers could find a receptive (and likely profitable) consumer market in Blacksburg.

Blacksburg Retail Base and Retail Leakage

- Blacksburg has approximately 646,000 SF of retail space outside of downtown and 268,000 SF in the downtown. Of the 268,000 square feet of commercial retail and service space in the downtown, nearly 40% is eating and drinking places, followed by 26% as personal and professional services and 20% as specialty retailers. In contrast, the primary use outside the downtown was for service uses at 38%, followed by grocery and food uses (28%) and specialty retail (10%).
- Of the \$4.6 million in weekly consumer retail demand in the Blacksburg PTA, about \$3.0 million or almost 65.0% is estimated to be leaking from Blacksburg merchants. It is reasonable to estimate that a good portion of this leakage is occurring elsewhere in Montgomery County, especially in Christiansburg, considering its retail gravity, store mix, store size, and proximity.
- This estimated \$3.0 million in weekly retail leakage from Blacksburg represents sales potential for new stores as well as existing stores. Considering the current retail development (and the continuing construction) in Christiansburg, it is unrealistic to assume that all of this leakage could be recaptured and even less so for particular merchandise categories such building supplies, home improvement and general merchandise/department store goods. However, the ability to recapture sales leakage for certain merchandise lines, and consequently store types, are believed to represent good potential for new stores in Blacksburg.

Conclusions

- Retail vacancy in Blacksburg was observed to be very low indicating a fairly healthy market for commercial leases and tenants. Despite this healthy market, there is a substantial amount of sales leakage from the Town of Blacksburg, indicating the potential for new stores and/or expanded stores.
- The ability of the Town to recapture a portion of sales leakage for certain merchandise lines, and consequently store types, is believed to be good for new stores in Blacksburg. The potential to recapture this leakage is not the only contributing factor to the new store potential. These opportunities are also influenced by improved roadway access, developing

new retail gravity centers and a growing population/household base in Blacksburg.

- The potential for an off-price clothing outlet center has been identified, as has the potential for restaurants, certain specialty stores (such as Petco and Kids R Us) and possibly some home furnishings stores, such as Pier 1 Imports. This analysis has also identified the potential, through recaptured sales leakage, of as many as 12 additional storefronts in Blacksburg, many of a regional or homegrown variety.
- The challenges to attracting national chains to the Downtown are many including the limited size of Downtown Blacksburg, the lack of off-street and convenient parking and the smaller-sized existing storefronts.

E. ECONOMIC DEVELOPMENT STRATEGY SUMMARY

Based on the findings above, and after obtaining input from various segments of the Blacksburg community, the consultants prepared a strategic action plan. Many of the land use and zoning recommendations were developed from the findings of a concurrent study prepared by RKG Associates entitled, *Town of Blacksburg Cost of Land Uses Study*, which was completed in January 2000. *The Cost of Land Uses Study* examined various growth and development options for the community based on existing zoning, historical development patterns, and anticipated growth and economic development needs over the next 20 years.

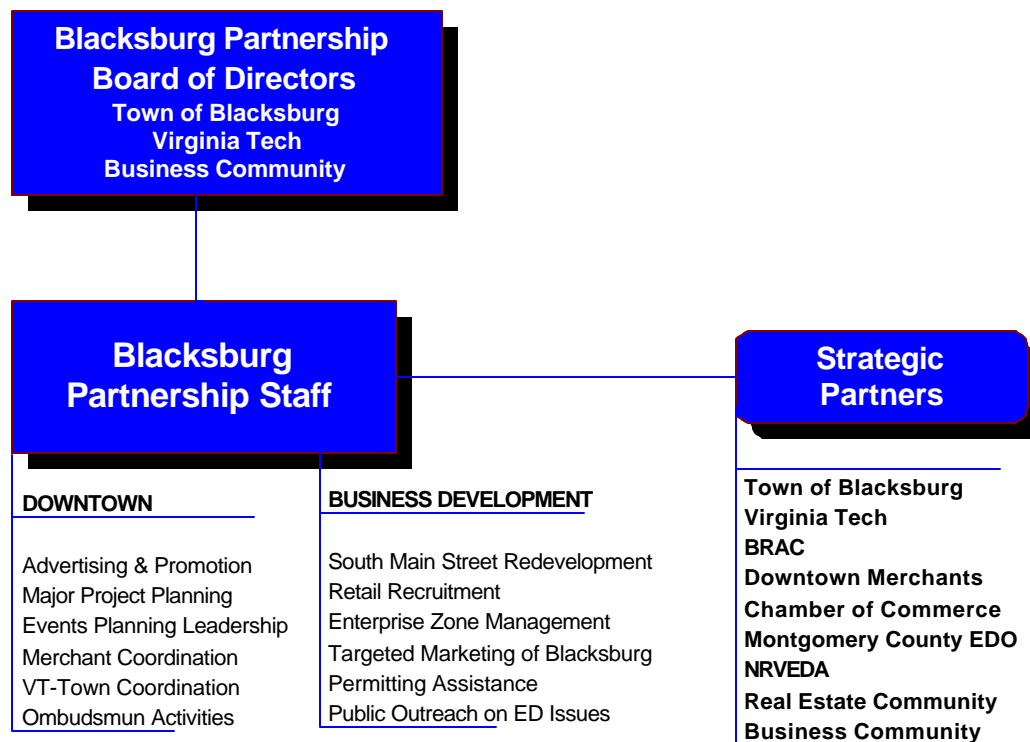
Priority Actions

Over the next five years it is recommended that the Town of Blacksburg focus on the following priority actions in order to achieve its economic development vision. Although the plan recommends dozens of other actions to be completed during this time frame, the top ten actions should receive the highest implementation priority (see Chapter 7 for complete action plan).

1. Establish an Economic Development Corporation to Manage the Economic Development Affairs of the Town

The Town of Blacksburg is large enough and its economic development needs are important enough to justify the creation of a quasi-public authority to manage the Town economic development affairs. There are a number of complex initiatives that must be pursued over the next 10 years that will require a significant commitment of staff and financial resources to implement. Currently, the Town of Blacksburg is not positioned to capitalize on its opportunities and must hire the promotional and development expertise it needs to be successful.

It is therefore recommended that an economic development authority called the Blacksburg Partnership be established, which would bring the Town, Virginia Tech, and Blacksburg's business community into a partnership organization. The diagram below illustrates how the partnership might be organized, what its responsibilities would be and whom it might target as strategic partners.



2. Initiate Downtown Promotional/Ad Campaign

In conjunction with the Town's Downtown Revitalization Study, a series of promotional and advertising concepts have been developed. The objective of these campaigns are to (1) promote Downtown Blacksburg and the community as a whole to a broader market outside of Blacksburg and (2) promote the benefits of shopping existing downtown businesses. Downtown Blacksburg lacks a clear and identifiable image or identity. It is important that all town residents, visitors, and shoppers know what Downtown Blacksburg has to offer.

3. Adopt a Retail Recruitment Strategy

The Town has two primary retail needs that must be met through this action. Number one, the community desires to attract a general merchandise store to serve the needs of local residents. Secondly, the community would like to change the mix of businesses located in the downtown in order to appeal to a broader customer base including students, families, and visitors.

4. Work Closely With Virginia Tech to Plan for Future Enrollment Increases and Student Housing Needs

The Town's biggest challenge in the future will be providing for the housing needs of new residents, many of who may be new students at Virginia Tech. A closer partnership with Virginia Tech is needed in order to plan for potential enrollment increases at the University over the next decade as it strives to meet its goal to become a Top-30 research institution in the country.

5. Prepare a Redevelopment Plan for the South Main Street Corridor

Due to the lack of commercially-zoned and developable land in Blacksburg, the Town must seek opportunities to redevelop areas that are currently under performing or are underutilizing land resources. The South Main Street corridor is the Town's primary redevelopment corridor, as evidenced by a concentration of neglected or declining properties. The town has the opportunity to upgrade land uses along this corridor, which will increase property values, create more viable uses, create jobs, and improve the appearance of a prime gateway into the community.

6. Work With VT to Seek Higher Utilization of Prime Retail Properties at University Boulevard and South Main Street

Virginia Tech currently occupies the two best locations for a general merchandise store of 50,000 SF to 75,000 SF to locate. This condition has the potential to stifle the Town's plans to attract a general merchandise store to the community. Local officials must communicate the town's needs to Virginia Tech and work with property owners to identify suitable locations to support this type of use.

7. Establish Blacksburg's Role as a Leader in Electronic Government and Business Support Services

The Town has taken its eye off the Electronic Village concept that once brought it so much attention and notoriety during the early 1990s. Since that time, many other communities have entered the electronic village/e-government arena. However, the most successful communities will be the ones with the most advanced infrastructure and technology, innovative applications, and comprehensive delivery systems to the public. It is therefore recommended that the Town recommit itself to a new generation of e-government initiatives in order to regain its position as an innovative and technologically advanced community. Building a reputation in this area will set the community apart from other competitive locations and give the community a marketable commodity to promote to new technology companies.

8. Maintain an Inventory of Available Commercial Properties and Work with Property Owners to Secure Tenants

In order to recruit new companies and businesses to Blacksburg, the Town must first create a complete inventory of properties to market. The best sources of real estate information are individual real estate brokers who represent property owners. However, no single broker lists every property in Blacksburg. The Town, through its new economic development corporation, should establish a central clearinghouse of real estate that is for sale and lease. Cooperative agreements with local Realtors must be established in order for this to be accomplished.

9. Consider Careful Rezoning of Areas for Commercial Development in Northend, Northwest, and Southwest

The Town of Blacksburg currently lacks the appropriate land resources required to support future residential and commercial growth. Consequently, the Town must consider rezoning certain areas of the community to accommodate new growth, primary multi-family residential and commercial uses. Detailed rezoning recommendations are presented in

Chapter 7 of the *Blacksburg Economic Development Strategic Plan*. Under this action, there are several planning initiatives that the Town should consider, including:

- Rezone Areas for Retail and Multi-Unit Residential Uses
- Monitor Status of Key Development Areas and Adopt Rezoning Recommendations When Necessary
- Study the Benefits of Creating a “South Main Street Enterprise District” and Package Redevelopment Incentives (TIF Financing)
- Establish Site and Building Design Standards and Transition From the “Planned Commercial” Approval Process

10. Encourage Construction of a Major Performing Arts Center in the Downtown

One of the best opportunities to create a unique attraction in the downtown is the proposed performing arts center being considered by Virginia Tech. The location of this facility in the downtown would create an anchor use on the northern end of the district, create a nighttime and weekend use, increase pedestrian activity, and generally add to the vitality of the district. The Town of Blacksburg should become a partner with the university to ensure that this facility gets constructed and ultimately benefits the Downtown and the community as a whole.